

**SPECIAL MEETING OF
DIRECTORS OF BELMONT FIRE PROTECTION DISTRICT**

Tuesday, February 28, 2006

CITY COUNCIL CHAMBERS, ONE TWIN PINES LANE

CALL TO ORDER 8:10 P.M.

ROLL CALL

Directors Present: Lieberman, Dickenson, Feierbach, Warden, Mathewson

Directors Absent: None

Staff Present: Interim District Manager Crist, City Attorney Zafferano, Fire Chief Lowden, Finance

Director Fil, District Secretary Cook.

ADDITIONAL BUSINESS

Alternative Proposals for Future Fire Services in the Belmont Fire Protection District, Public Meeting #6 February 28, 2006

Interim District Manager Crist outlined the history of this issue to date, and reviewed pros and cons of options under consideration (form a standalone department, contract with the City of San Mateo, or rescue the South County Fire Authority (SCFA). He noted that a financial subsidy would be required absent new revenue for any of the options. A standalone department could be viable for five years. Resurrecting SCFA assumes the passage of an assessment, and would require the re-negotiation of a joint powers agreement (JPA). He reviewed the proposal as presented by the "2+2" committee. The target budget for SCFA is \$13 million. An assessment will take approximately six months to conduct. He reviewed the actions taken by the City of San Carlos.

George Kranen, Belmont resident, recommended rescuing SCFA. He commented regarding the individual dollar figures on the various options, and noted that San Mateo's proposal does not make provisions for truck replacement, and the PERS costs are an added expense. A standalone department presents a high-risk exposure for the City.

Mike Gaffney, SCFA firefighter/Belmont resident, stated he has been with SCFA since 1984 but was speaking as a resident. He thanked everyone involved for their hard work and thoughtful analysis on this issue. He commented that there are good reasons for forming the JPA in the first place, which has resulted in creativity within the industry, including the recruitment academy, HAZMAT service delivery, and the paramedics program. He concurred that the agreement needs repair, but the values and vision remain. He supports rescuing the JPA.

Karen Gaffney, Belmont resident, stated she grew up in Belmont. SCFA is a progressive department. This issue has been difficult for the firefighters, who have fought hard to keep the department together.

Gary Fauth, on behalf of SCFA firefighters, thanked the Board and the members of the 2+2/SCFA. He noted that SCFA is known for its leadership and innovation. There is disconnect associated with the name of the authority. The firefighters are employees of both cities. Saving SCFA is the best option. He commented that both cities and the firefighters are equal partners, and the firefighters are willing to compromise to keep the Authority intact.

Chris Riccardi, Belmont resident, stated that SCFA has been serving the community for over 25 years. This issue has a significant impact on everyone.

Steve Suza, Belmont resident, stated the firefighters do a good job for the community, and there is no benefit to breaking up the Authority. A standalone department is not a good option.

Bob Ledoux, Belmont resident, thanked everyone involved for their hard work in resolving this issue.

Art Anderson, SCFA firefighter, expressed his support for keeping the Authority intact.

Phil Van Orden, Belmont resident, stated that good city services are important, and he recommended keeping SCFA intact. It is a good department with a good reputation. The future is shared services.

Director Lieberman acknowledged Directors Warden and Feierbach for their efforts on this matter. He noted the fire issue was one of the reasons he decided to run for office. He shared a personal family

experience with a neighboring fire department. Firefighters/paramedics are unsung heroes. He noted that 70-80 percent of calls are for medical, and one percent is for fires. Service and response times are important.

He reviewed the service levels and funding for each option. Rescuing SCFA will need additional revenue. He questioned the viability of a standalone department, and noted the firefighters do not support this option. Contracting with San Mateo will not require additional revenue. If the assessment does not pass, there would be further service reduction for SCFA, or another future dissolution. Issues remain regarding SCFA, and a fresh start is needed. The firefighters are an equal partner, and he noted they have offered to compromise. If the direction is to rescue SCFA, he recommended the JPA be extended for one year to provide a buffer in case the assessment does not pass. He recommended including an escalation clause in the assessment.

He acknowledged and thanked San Mateo's response regarding their proposal, and stated that the option to contract with them may be more expensive than proposed. He supports saving SCFA, and acknowledged this is a risk worth taking.

Director Warden stated that Councilmember Lieberman appeared to favor the San Mateo proposal, and requested the elimination of that option for consideration. He noted that the pension obligation may require a pension bond, and Belmont cannot afford the San Mateo option. Their proposal does not include vehicle maintenance and replacement, does not address unfunded liabilities, and will require additional revenue. He noted that San Mateo recently concluded a 6.5 percent labor contract improvement.

Finance Director Fil noted that not all the information regarding the unfunded liabilities is available, but it will be significant. The additional revenue needed is an estimate based on assumptions. The Belmont Fire Protection District will be in a negative cash flow situation until property taxes are received. He noted that all options require a new revenue source.

Director Feierbach stated she performed an unscientific survey of residents regarding this issue. She noted that not many public comments have been received. She received a 40 percent response, and noted that only three responders favored the San Mateo option, and the majority favored rescuing SCFA to protect the firefighters. She supports rescuing SCFA to protect the firefighters. She expressed concern regarding support for an assessment, but noted that many people stated they would be willing to pay. Other cities have successfully passed assessments. An educational campaign for the property owners

would be needed. She also expressed concern that financial issues of the Authority have not been not conveyed to the public. She does not support regional fire service, and is prepared to conduct an assessment.

Director Warden stated that residents are not enthusiastic about a large fire organization. He expressed concern regarding the span of control with the San Mateo option, and noted there would be 11 companies under the jurisdiction of one Battalion Chief. If the costs for each of the two cities under the San Mateo option were equal, Belmont would once again be subsidizing San Carlos. He expressed concern regarding unfunded liabilities, engine replacement, maintenance, fire station repairs, and increased labor costs. He does not support the San Mateo option.

ACTION: Director Warden made a motion, seconded by Director Feierbach, to eliminate San Mateo as an option for consideration for fire services.

Director Lieberman stated he does not support eliminating the San Mateo option.

Director Warden said a decision should be made tonight regarding future fire services, and eliminating the San Mateo option narrows the focus.

Director Lieberman stated the vote would likely be unanimous to keep SCFA intact, which he would support with an extension of the JPA by one year and the inclusion of an escalator clause for growth on the assessment.

Director Warden stated he does not support the extension of the JPA agreement.

Director Dickenson expressed support for keeping SCFA intact, but wants to correct previous problems by conducting an outside audit and taking corrective action. He concurs to eliminate San Mateo as an option.

In response President Mathewson's question regarding closing stations, San Mateo Fire Chief Kelly stated that boundaries were eliminated several years ago, and that the closest available resource would

respond to a call. He outlined the overlap in station locations, and noted that the community would support regional service if they were educated regarding the overlap.

President Mathewson stated that some residents would experience longer response times, and this was a concern to him.

Director Lieberman stated he is not well versed in fire operations, but noted that staff supports the San Mateo option over the standalone fire department option due to costs.

San Mateo Fire Chief Kelly stated that he would be happy to continue to be part of this process, and expressed his support in keeping SCFA intact. He noted they have always been partners. He acknowledged that San Mateo would be an option should the Board continue to pursue keeping SCFA intact.

Director Lieberman stated that safety is important, and he will vote his conscience regarding this matter. There are options available under the San Mateo proposal, and there is no value in taking it off the table.

ACTION: on the original motion to eliminate the San Mateo proposal, motion approved by a show of hands (4-1, Lieberman no).

RECESS: 9:45 P.M.

RECONVENE: 10:00 P.M.

Director Warden outlined the proposal developed by the 2+2 committee. The committee agrees that there are no obstacles regarding eleven of the issues, and only minor refinement of the remaining issues is necessary. The committee requests that the 2+2 process be the negotiating body for the refinement of a Memorandum of Understanding, and that a new JPA agreement be in place by July 1, to include a mutually agreed to funding formula. There should be no extension of the current JPA agreement, and there should be a contingency plan if there is no assessment. The assessment date should be set for August. The Authority's new name should be the Belmont/San Carlos Fire Department. A two-year budget for the Authority is required. An operational audit is recommended. He also recommended

that Belmont does not mention the Harbor Industrial Area any longer, except as it relates to future annexation.

Director Feierbach stated that the unfunded liabilities are an important issue.

Director Warden stated that citizens have already pledged support for an assessment campaign. He stated that a new JPA agreement should be able to be drafted soon, that there are some details to be worked out. A final contract would be provided to both cities' Councils for approval. Great progress has been made in this issue.

President Mathewson expressed his confidence in the 2+2 process.

ACTION: On a motion by Director Warden, seconded by Director Lieberman, and unanimously approved by a show of hands to save the South County Fire Authority with the stipulations as presented by Director Warden.

Director Warden commented that passage of an assessment is a necessity.

Director Lieberman thanked the firefighters and the SCFA staff for its efforts.

ADJOURNMENT at this time, being 10:10 p.m.

Terri Cook
District Secretary

Meeting audio-recorded and videotaped
Audio Recording 629

Minutes approved 4/25/2006